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Montana State Fund Guardian

July 1997

Cashout A Winner Through Early Retirement Planning

By Shawn Bubb

If you're like most people, planning for retirement doesn't top your daily to-do list. With the rising cost of retirement expenses, longer lifespans, and the shaky future of social security, you may want to consider some new ideas.

> If you save just $200 a month at 8% interest from age 25 until age 65, you will have approximately $698,000 at retirement.

Most retirees plan on funds from an employer sponsored pension plan and some assistance from social security. However, an "investment gap" typically exists, and consists of those funds/assets saved throughout your life to supplement these two programs and carry you through the Golden Years. You should target having 70-85% of your pre-retirement income in order to live comfortably after trading in your 9-to-5 routine for sunny days in search of exotic fly-fishing rivers.

As state employees, we have an advantage in filling the investment gap with CASH. The State's Deferred Compensation plan is a good place to start.

The State Deferred Comp plan is administered by Great West. This company has selected several strong performing mutual funds and fixed rate investments for you to consider. Money is placed in investments before taxes through payroll deduction and grows tax free until you take it out when you retire, leave state employment, reach age 70 1/2, or die. Money pulled out of the plan is subject to federal and state tax as ordinary income; there is usually a 10% penalty for pulling your money out too soon. There is no penalty if one of the following conditions are met: minimum age of 59 1/2, full retirement after age 55, or you experience an emergency including medical expenses, college expenses, or mortgage payment difficulties. Emergency situations are reviewed by your employer and the plan administrator prior to approving the withdrawal.

The compounding effect of tax deferred growth on your savings is significant. It is important to sock away money early and consistently. If you save just $200 a month at 8% interest from age 25 until age 65, you will have approximately $698,000

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Stressed Out?

Then take advantage of a valuable benefit available to you as a State employee—the Employee Assistance Program (EAP). Everyday, we are confronted with stressful situations and shared dilemmas. Often, counseling can be too expensive and leave you feeling helpless and alone. Vocational Resources, Inc. (VRI) contracts with the State to offer a no-cost, confidential assistance service to give employees a supportive place to turn if they feel helpless. VRI provides counseling services and information for a variety of situations including, but not limited to, depression, marriage counseling, drug and alcohol abuse, physical abuse, work and family relationships, stress, eating disorders, legal issues, and financial troubles.

The State contracts with an outside vendor for EAP services in order to maintain complete confidentiality. The program is available to all eligible employees and their dependents and is designed to provide

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Published monthly by and for the employees of the Montana State Fund.

President's Message

July is the first "official" month of our Agency Pilot Program, and so far it is off to a great start! I want to take this opportunity to thank all of you for your contributions to the Pilot Program. It is the customer friendly service and attention to detail provided by all State Fund employees that will make this program a success. The Underwriting and MIS departments specifically deserve to be acknowledged for their hard work to get this program up and running.

As I mentioned, the Pilot Program has seen wonderful success. We wrote our first retrospectively rated plan for Livingston Rebuild Center. This customer repairs and manufactures locomotives for various railroads and came to us from the Dime Insurance Agency in Livingston. We are delighted to have them on board. In addition, we have had more than 72 submissions from producers on prospective business and have actually written 33 new pieces of business for a total new agency premium of $483,594. Not bad for our first month!

I recognize a lot of changes have taken place within our organization. Change requires us to pay close attention to detail in order to do the job right the first time and to enhance communication with those around us. I applaud all your efforts to make the State Fund a competitive, customer-driven organization able to respond to the demands of today's environment.

PAALS and BIS Update

A core team with representatives from each department exists to answer questions about systems projects and represent department interest. If an employee is interested in the BIS and PAALS projects, or has a question, they should contact the department representative on each project.

BIS

By Kathy Rowsey

The State Fund Benefit Information System (BIS) has been on-line since February, and it continues to grow and improve every day. This is a good thing because according to Sherry Chenovick, Technical Coordinator, "If a system doesn't grow, it is a dying system."

It is still a top priority to work all of the bugs out of the system, and while we break BIS in, there will be constant changes.

Thanks for your patience, and hang in there while the system continues to improve!

PAALS

Not including vendors, a core team of eight to ten employees have been working on PAALS. At this time, PAALS is expected to be operational by January 1998. To date, employees have had a demonstration and slide presentation on the work management system within PAALS. Testing on the system is scheduled to start in August with employees from various departments testing PAALS based on how they will use the system.

Concerns regarding the introduction of PAALS include the fact that BIS and PAALS are not integrated at this time, and whether or not new hardware will need to be purchased to support the system. A management process is in place to evaluate equipment compatibility. The Change Control Board meets regularly to address the overall equipment compatibility with our new systems.

Kudos Kolumn

"I want to say thanks to Debbie Allen, a top performer in the HR Department who is an excellent Word Perfect resource and has a "can do" attitude in all her projects. Thanks for your help Debbie!" —Shawn Bubb

Kudos to Tim Determan

"Tim recently created a MIS study group to learn more about our new systems. It was great initiative and a terrific way to work as a team."—Eivind Nilsen

Kudos to the Med Pay Unit

"Thanks to the Med Pay Unit for being so patient with helping the Claim Adjusters learn the ropes to pay non-fee scheduled bills." —Sandra Rincon

Kudos to Todd Jones and Susan Witte

Congratulations Todd and Susan for passing the first part of the Associate in Claims exam.

"Thanks to Joanne Shydian, Debbie Allen, and Debbie Svaldi for patience and assistance in answering all of my questions. It's great to be here!"—Blair Johnson

Special Activities Committee Calendar

July 24: Hot dogs and nachos
August 12: Breakfast
August 30: Summer Picnic
October 23: Craft Sale

Help Save A Life

State Fund plans to hold an on-site Red Cross blood drawing on August 8. Since each drawing should only take 15-20 minutes, use of work time has been approved for this cause.

Please contact Lauree Kramer, EAC President if you would like more information, or if you would like to sign up to donate blood.

Word Wasters

Avoid	Use Instead
first of all	first
I would appreciate it if	please
despite the fact that	although
in the majority of instances	usually
with the exception of	except
in the event that	if
due to the fact that	because/since
keep in mind the fact	remember

Congratulations Kim!

Kim Burbridge's (Legal) baby boy was born on July 18. Logan Thomas Davis weighed in at 7 lbs., 6 oz.

Human Resources

Personnel changes as of July 21, 1997

New Hires

Todd Messinger (Claim)
Jan Hensel (Legal)
Blair Johnson (HR)
Mike Smart (MIS)
Bob Pennington (Admin/Finance)
Deborah Brebner (Legal)
Terri Job (Claim)
Bonnie Rouse (Policy Services)

Departures

David Garnice
Kathryn Kendall
Mike McGrorty
Tomas Maes
Tim Determan
James Hulet

Employee of the Year

The Employee of the Year election will be held soon, so be sure to watch your Zip Mail for the ballot. Those on the ballot include: **Betty Hicks, Mary Simpson, Suzie Schute, Dwan Ford, Kim Erickson, Ed Benasky, Holly Wood, Vi Walchuk, Linda Harmon, and Sandy Adams**. The winner will receive the Governor's Award and attend a ceremony on September 24 in honor of all state employees who won the award.

Thanks to all State Fund employees for their hard work, in particular, **Dwight Bernard**, the 1996 Employee of the Year.

Build Your Skills

Training opportunities:

Effective Disciplinary Action, July 24-25: Improve supervisory skills in correcting conduct and applying discipline.
What is Team Building?, July 30: Improve team productivity.
Quality Customer Service, August 13-14: Improve the skills for effective public contact and customer service.
Effective Communication Skills, August 20-21: Become an active listener and provide effective feedback.
Win-Win Communications, August 28-29: Learn the skills to build an "everyone wins" environment.

Contact Blair Johnson in the HR Department for more information.

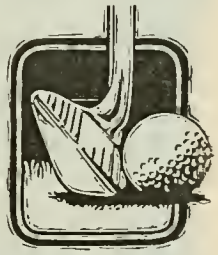
Employee of the Month

Sandy Adams' co-workers say she is an excellent team player who works closely with the adjusters and helps with all aspects of the claims. She has a clear understanding of the claim process. Her understanding has given her the ability to focus on ways to improve claim handling. Her idea to improve the payment of medical benefits process, now known as the "Adams Maneuver," significantly increased the number of medicals processed by the Med Pay Unit and reduced the amount of time the adjusters spend on paying bills. Her idea has had a positive effect on the entire Claim Department. As a co-worker summed it up, "Her knowledge makes her and her ideas very valuable to the State Fund." Congratulations, Sandy!

FORE!

State Fund employees hit the links at Bill Roberts Golf Course on July 14 for an afternoon of fun and friendly competition. Twenty-one participants made up six teams. Congratulations to the team of Shawn Bubb, Andy Anderson, and Will Lynn who shot a low score of 65.

If you missed the first tournament, you'll have another shot at the fun because a second tournament is tentatively scheduled for September. All State Fund employees, consultants, vendors, and family members are welcome.



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at retirement. If you wait to start saving until age 35, you would only have $298,000 at retirement.

A few well-spent hours planning for your future will reap monumental rewards and provide a little extra gold for your Golden Years.

For a complete description of the State's Deferred Compensation plan, contact Great West or one of their two subsidiaries, FASCorp and BenefitsCorp, at 442-2408. Complete plan information is also available through the State Fund Human Resources Department.

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short-term counseling services at no cost. In addition, the EAP offers a 24-hour crisis hotline. The statewide, toll-free number is 800-833-3031 or 443-1127 in Helena.

In an effort to help employees understand and utilize this benefit, several EAP orientation sessions will be held throughout the year. If you have any program questions, contact VRI at 443-1127 or a Human Resources representative for more information.

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Please call 444-6502 with comments or suggested articles.

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Profiles

MIS

Randy Marcus has been a Senior Programmer/Analyst for six years. He works on production database recovery, system development and maintenance, and recommends and develops solutions to projects and problems. Randy started with the State sixteen years ago as a data entry operator. He enjoys being a dad, the outdoors, basketball, golf, and chess.

As a Systems Analyst, **Sandy Leyva** helps manage the PAALS project. She has worked as a programmer for seven years and in the accounting field for five years. Sandy was born and raised in Boise, Idaho and enjoys camping, hiking, boating, and gardening.

Pat Nistler, Senior Programmer Analyst, helps create and modify computer software. He earned a degree in computer science from the University of Montana and has worked at the Department of Revenue and for the U.S. Navy.

Jonathan Linder has bee a Senior Programmer Analyst at the State Fund for two months. He develops, tests, and maintains computer programs, as well as provide systems analysis and user support. Jon earned a degree from University of Montana. In his spare time, Jon enjoys his family, hunting, fishing, camping, golf, basketball, and football.

Barb Sauter has worked at the State Fund for 20 years. In her current position as Systems Administration Specialist, Ba is responsible for maintaining integrity of the State Fund system security, as well as overseeing all batch process jobs and maintaining the ZIP! address book. Before working in the MIS Department, Barb worked in the Statistical Department and Personnel. Barb has been married for 16 years and has a 9 year old daughter, Stormy and a 29 year old son, Sean. They love to camp, bowl, and snowmobile.

Gigi Horvath, Software Support Specialist, has been at the State Fund for one year. She processes jobs at night, performs backups, creates and updates macros, and performs hardware and software installation. Before coming to State Fund, Gigi was a computer tech for the Montana Lottery and a communications and co puter specialist for the U.S. Air Force.